

THE HONORABLE LAUREN KING

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

LEO'S WELDING and FABRICATION, LLC, a  
Washington limited liability company

Plaintiff,

v.

HANNAH, Official Number 1067457, her  
machinery, engines, equipment, cargo  
appurtenances, *in rem* and SAYAK LOGISTICS,  
LLC, a Alaska limited liability company dba  
NORTHLINE SEAFOODS *in personam*;

Defendants.

IN ADMIRALTY

NO. 2:25-cv-00625-LK

**PLAINTIFF LEO'S MOTION FOR  
SUMMARY JUDGMENT**

**NOTE ON MOTION CALENDAR:  
AUGUST 26, 2025**

I. INTRODUCTION

Plaintiff Leo's Welding and Fabrication, LLC ("Leo") respectfully moves the Court pursuant to Fed. R. Civ P 56 for summary judgment against Defendants P/V HANNAH ("Vessel") and the owner of the Vessel, Sayak Logistics, LLC ("Sayak"). The undisputed facts of this case are simple: Sayak contracted Leo for Vessel services, was

1 invoiced after completion, but breached the contract by not paying Leo in full while  
2 favoring other creditors and contractors.

## 3 II. BACKGROUND

### 4 A. PROCEDURAL BACKGROUND

5 On April 29, 2025 Leo" filed an amended Complaint in *in rem* against the Vessel  
6 and an *in personam* action against Sayak for breach of contract. [Dkt. #14 ]. This Court  
7 ordered the arrest of the Vessel on April 30, 2025 [Dkt. #23]. On May 14, 2025, based on  
8 the parties' stipulation, this Court stayed the arrest order and approved a special bond  
9 of \$1,378,000 USD as substitute security for the *in rem* claims by Leo against the Vessel.  
10 [Dkt. # 31].

### 11 B. FACTUAL BACKGROUND

12 Leo is a Washington based company that provides welding and fabrication  
13 services to the commercial fishing industry and other marine related businesses. In the  
14 late summer of 2023, Benjamin Blakey ("Blakey") who was a director for Sayak,  
15 contacted Leo regarding the conversion of a 400-foot-long floating barge (Vessel) to a  
16 floating freezer plant to operate in the Bristol Bay, Alaska salmon fishery. Blakey  
17 wanted Leo to fabricate and install on the Vessel safety lines and coolant pipelines in  
18 the engine rooms and upper decks. See Estrada Decl. (filed herewith) Exhibit 1].

19 Leo prepared a fixed bid of \$841,748 for the services. Blakey reviewed and  
20 approved the bid amount and thereafter Sayak's attorney prepared a contract. [Estrada  
21

1 Decl. at ¶4]. Both parties signed the contract on October 25, 2023. [Dkt. #1, Exhibit 1].  
2 The contract required Sayak to provide Leo with a detailed rejection notice of any  
3 defective workmanship or materials within sixty (60) days from completion of the  
4 services. [Dkt. #1, Exhibit 1 at page 5, ¶ 5]. The contract also required payment within  
5 30 days, and 18% annual interest on overdue amounts plus reasonable attorneys' fees if  
6 litigation occurs. [Dkt. #1, Exhibit 1 at pages 4 ¶1(c) and page 8 ¶12(d)].  
7  
8

9 Near completion of Leo's services under the first contract, Blakey asked  
10 whether Leo could provide additional services relating to the fabrication and  
11 installation of the Vessel's exhaust systems. Leo prepared a fixed bid of \$161,120 for the  
12 services, which Blakey approved.[Estrada Decl. ¶5]. Rather than prepare a new,  
13 written contract, Blakey orally proposed, and Leo agreed that Leo would provide the  
14 exhaust services for the fixed bid amount; and invoice Sayak for additional services  
15 requested on a time and materials basis with Leo's standard terms and conditions for  
16 payment. [Estrada Decl. ¶5].  
17  
18

19 The Vessel conversion was behind schedule and Blakey made additional requests  
20 over the following months right up to the Vessel's June 2024 departure to Alaska.  
21 [Estrada Decl., ¶5; Zuanich Declaration (filed herewith), Exhibit 2, Sayak Request for  
22 Admission No. 5].  
23

24 Leo maintains a comprehensive protocol for preparing, approving and sending  
25 invoices to customers. Each invoice provides a clear, detailed breakdown of the cost for

1 services provided. Leo promptly and accurately records labor and materials provided  
2 to each customer project, and has set timelines for preparing and sending invoices.  
3 [Celada Declaration (filed herewith), Exhibit 3, ¶2].  
4

5 For Sayak, Leo generated invoices with the stated terms as outlined above. If the  
6 invoice was not timely paid, follow-up invoices were sent showing any customer  
7 payments, accrued finance and collection charges, and the remaining unpaid balance.  
8 Sakak never throughout the contract period objected to or disputed the calculation of  
9 accrued interest and collection costs nor the application of payments to unpaid invoices.  
10 [Celada Decl. ¶8].  
11

12 Sayak does not dispute that it received the invoices. [Sayak RFA No. 6] Each  
13 invoice, as updated, was shown under a single combined Customer “All Transactions”  
14 Statement, which lists each invoice, customer payments and the outstanding balance.  
15 [Celada Decl. ¶4]. Sayak does not dispute that it received the Customer Statement.  
16 [Sayak RFA No. 10; see also Dkt 1, Exhibit 2]. Sayak does not dispute the invoices and  
17 Customer Statements are genuine business records and do not need to be authenticated  
18 for use in this motion. [Sayak RFA No. 13].  
19  
20  
21

22 At no time during or after completion of Leo’s services did Blakey nor any other  
23 Sayak representative report that Leo provided defective workmanship and/or materials.  
24 Moreover, Sayak never disputed the time and material charges described in the  
25 invoices. Estrada Decl. ¶6; Celada Decl. 8]. In fact, the only knowledge Leo had of any

1 objection or dispute by Sayak was the April 2025 declaration filed by Blakey in  
2 opposition to the Vessel arrest wherein he declared that the amount owed to Leo's was  
3 in dispute. [Dkt. 18, ¶13]. Even today, Sayak maintains it requires additional time to  
4 ascertain whether it reported that Leo provided defective workmanship or whether it  
5 disputed Leo's invoices. [Sayak RFA Nos. 3 & 4].  
6

7 For the "first contract" Leo generated four (4) invoices for the fixed bid  
8 amount of \$841,748. These invoices have a combined unpaid balance of \$208,787 plus  
9 accruing interest. [Jose Celada Decl. ¶5].  
10

11 For the "second contract" Leo initially generated three (3) invoices totaling the  
12 fixed bid amount of \$161,120, which were paid in full. For the time and materials  
13 services, Leo generated 65 separate invoices totaling \$1,791,362. These invoices have a  
14 combined unpaid balance of \$896,200 plus accruing interest and collection costs. [Jose  
15 [Celada Decl. ¶5 & 6].  
16  
17

18 After Leo had completed the services under both contracts, Blakey advised Leo  
19 that Sayak did not have funds to pay. [Celada Decl. Exhibit A, page 3] After numerous  
20 attempts to collect payment after Blakey returned from Alaska, Estrada had a face to  
21 face meeting with Blakey in October 2024 at Fish Expo in Seattle. Blakey continued to  
22 maintain that Sayak did not have funding. [Estrada Decl. ¶7].  
23

24 In spring 2025, Blakey proposed that Leo accept a settlement agreement with  
25 installments payments—even though Sayak had already preferentially paid most

creditors and new contactors in full. Leo declined the proposal and was told all future communications should be through Sayak's attorney. Leo engaged counsel in April 2025 .[Estrada Decl. ¶8].

For the two contracts, Leo invoiced a combined \$2,794,230 for direct services and materials. [Celada Decl. ¶5,6 & 7]. Sayak does not dispute that it only paid Leo \$1,689,243. [Sayak RFA No. 11]. The unpaid balance is \$1,104,987, plus accrued interest and collection costs of \$58,049 through August 6, 2024, plus an additional \$161,505 through August 6, 2025. [Celada Decl. ¶9, Exhibit A, page 4]. The total unpaid balance on August 6, 2025 will be \$1,324,541. [Celada Decl. ¶10].

### III. LEGAL STANDARD

Fed. R. Civ. P. 56(a) provides that summary judgment is proper if, viewing all the facts of the record in a light most favorable to the non-moving party, no genuine issue of material fact remains for adjudication. Material facts are those which might affect the outcome of the lawsuit under the controlling substantive law. Anderson v. Liberty Lobby, Inc. 477 U.S. 242, 248 (1986). It is incumbent upon the party seeking summary judgment to set forth the basis for its motion and identify those pleadings, declarations and other materials showing there is no genuine dispute of any material fact. Celotex Corp. v. Catrett, 477 U.S. 317 (1986).

The burden then shifts to the non-moving party to put forth evidence showing specific facts exist, demonstrating a genuine issue for trial. The mere existence

1 of some alleged factual dispute between the parties will not defeat an otherwise  
2 properly supported motion for summary judgment. Anderson, 477 U.S. at 247-48. A  
3 mere “scintilla” of evidence supporting the opposing party’s position will not suffice;  
4 instead, there must be a sufficient showing that the jury could reasonably find for that  
5 party. Anderson 477 U.S. 242.

#### 7 IV. DISCUSSION

##### 8 A. BREACH OF MARITIME CONTRACTS

9  
10 Leo moves for summary judgment on its claims that Sayak breached the fixed bid  
11 “first” contract and the combination fixed bid and time and materials “second” contract.  
12 Contracts that relate to vessel repairs and necessary services are maritime contracts.  
13 Consequently, general maritime law controls maritime contracts. However, federal  
14 maritime law may be supplemented by non-conflicting Washington-state contract law.  
15 See *S/Y Palidor, LLC v. Platypus Marine, Inc.*, 750 F. Supp. 3d 1187, 1198 (W.D. Wash 2024).  
16 In an action for breach of a maritime contract the elements are: (1) the existence of an  
17 agreement; (2) adequate performance of the contract by plaintiff; (3) breach of the  
18 contract by defendant and (4) damages. W. Towboat C. v. Vigor Marine, LLC, 544 F. Supp.  
19 1100 (W. D. Wash. 2021). There is no dispute that the contracts qualify as maritime  
20 contracts and were breached by Sayak’s failure to pay.  
21  
22  
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25

1 A. FIRST CONTRACT

2 There is no dispute the contract prepared by Sayak's attorney was an accurate  
3 integration of the parties' intentions. Leo has submitted the following undisputed  
4 evidence:  
5

6 •The parties made a written contract they both agreed was a complete and accurate  
7 integration of their agreement, including a fixed price of \$841,748.

8 •Leo completed its services under the contract and Sayak did not provide notice of any  
9 defective workmanship or materials within sixty (60) days from completion of the  
10 services.

11 •Sayak routinely received Leo invoices stating the remaining amount due was \$208,877  
12 on July 7, 2024, plus accruing interest.

13 Leo is entitled to summary judgment on the basis there is no genuine issue of fact  
14 as to the amount Sayak owes under the first contract.

15 B. SECOND CONTRACT

16 "Maritime contracts must be construed like any other contracts: by their terms  
17 and consistent with the intent of the parties. Thus, basic common law contract  
18 principles, including the elements of offer, acceptance, and consideration, apply in the  
19 maritime context. *Quoting S/Y Palidor, LLC at 1199* . Oral contracts are normally held to  
20 be valid under principles of maritime law." (*Quoting S/Y Palidor, LLC quoting at footnote*  
21 *9 citing Second Restatement of Contracts and Kossick v. United Fruit Co., 365 U.S. 731, 734*  
22 *(1961)*). Leo has submitted the following undisputed evidence:  
23  
24  
25

1 •Leo prepared a fixed bid estimate in the amount of \$161,120 relating to the fabrication  
2 and installation of the Vessel's exhaust systems. Sayak approved the estimate and upon  
3 completion of the work paid the invoice amount.

4 •Sayak proposed and Leo agreed to provide additional services on a time and material  
5 basis pursuant to Leo's terms and conditions of payment, which appeared on each Leo  
6 invoice.

7 •Sayak at no time after completion of the services objected to Leo's workmanship.

8 •Sayak's objection to the amount owing Leo was made for the first time in Blakey's  
9 declaration opposing arrest of the Vessel ---over ten months after completion of all  
10 services under the two contracts. Today Sayak continues to claim it requires additional  
11 time to ascertain whether it reported that Leo provided defective workmanship or  
whether it disputed Leo's invoices. [Sayak RFA Nos. 3 & 4].

12 There is no genuine dispute that Sayak and Leo made an oral contract with its  
13 terms reflected by the parties' conduct, including 1) completion of services under the  
14 "first contract", 2) Sayak's acceptance and payment of the initial fixed bid estimate, 3)  
15 Sayak's additional request for services, and 4) Leo's subsequent invoicing for completed  
16 services.  
17

18  
19 Even if Sayak could now establish a material issue of fact regarding  
20 workmanship and invoicing under the second contract, it should not be sufficient to  
21 defeat summary judgment. Sayak has never objected to Leo's workmanship; and only  
22 disputed the amount owing after litigation was commenced. By not objecting in any  
23 manner within a reasonable time, Sayak agreed to the amount owing, especially given  
24 the parties previous transactions.  
25

1 Under Washington contract law, an “account stated” is a manifestation of assent  
2 by the parties to a stated sum owing. The assent may be applied from the  
3 circumstances and conduct of the parties, including partial and assurance of payment.  
4 And payment, without objection to the invoices or with an intent to negotiate the sum  
5 in the future establishes an account stated. See Sunnyside Valley Irrigation Dist. v. Roza  
6 Irrigation Dist., 877 P.2d 1283 (Wash. 1994). “And, once an account stated is established,  
7 it becomes a new contract.” (quoting Parrott Mechanical Inc., v. Rude 78 P. 3d 1026 (Wash  
8 Ct. App. 2003)).

11 Not only did Sayak not object in any manner to Leo’s invoices, Sayak continued  
12 to request additional services. Moreover, Sayak has made no allegations of fraud,  
13 mistake or other reason to explain its failure to object. Simply put, Sayak cannot  
14 dispute the amount owing for the first time in litigation.

16 Leo has established as a matter of law the essential elements of the “second”  
17 contract or in the alternative of an account stated. Reasonable minds can conclude that  
18 Leo’s invoices were clear, that they were intended to show the current balance due, and  
19 that Sayak did not object to any invoices before commencement of litigation. Leo is  
20 entitled to summary judgment under the second contract on the basis there is no  
21 genuine issue of fact as to the amount Sayak owes.  
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1 V. CONCLUSION

2 The court should grant summary judgment and find that Leo is entitled to  
3 judgment in the amount of \$1,104,987, plus accrued interest and collections costs in the  
4 amount of \$219,554 through August 6, 2025, plus ongoing charges up to the date of this  
5 Court's order. Leo should also be awarded reasonable attorneys' fees and costs.  
6

7 VI. PROPOSED ORDER

8 A proposed Order is included for this Court's consideration.  
9

10 VII CERTIFICATIONS

11 *I certify this motion contains fewer than 8,400 words, in compliance with the Local Civil Rules.*

12 *I certify pursuant to the Court's Standing Order, paragraph V (G), that I conferred with*  
13 *Defendants' counsel on July 12, 17, 19 and 24 and made good faith and meaningful efforts to*  
14 *reach a settlement of the case prior to filing this motion.*

15 DATED 25th day of July 2025.

16 ZUANICH LAW, PLLC

17 By: /s/ Robert. Zuanich

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THE HONORABLE LAUREN KING

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

LEO'S WELDING and FABRICATION,  
LLC, a Washington limited liability  
company

Plaintiff,

v.

HANNAH, Official Number 1067457, her  
machinery, engines, equipment, cargo  
appurtenances, *in rem* and SAYAK  
LOGISTICS, LLC, a Alaska limited liability  
company dba NORTHLINE SEAFOODS *in*  
*personam*;

Defendants.

IN ADMIRALTY

NO. 2:25-cv-00625-LK

**[PROPOSED] ORDER GRANTING  
PLAINTIFF'S MOTION FOR  
SUMMARY JUDGMENT**

This matter came before the Court on the motion of Plaintiff for summary judgment under Fed. R. Civ P 56 on its claims for breach of contract against Defendants as set forth in its First Amended Complaint. The Court has reviewed and considered the following:

1. The briefing, declarations, and exhibits filed by the parties; and

PLAINTIFF LEO'S MOTION FOR SUMMARY  
JUDGMENT -12  
Case No. 2:25-cv-00625-LK

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1       2. The facts admitted by Defendants in their Answer to Plaintiff's Amended  
2 Complaint and Requests for Admission.

3               Based on its review and consideration of the foregoing, the court finds that a)  
4 Defendants contracted with Plaintiff to provide services and materials to the Vessel for  
5 the price of \$2,794,230; b) Defendants paid Plaintiff \$1,689,243 leaving an unpaid  
6 balance of balance \$1,104,987 plus accrued interest and collection costs of \$58,049  
7 through August 6, 2024 and an additional \$161,505 through August 6, 2025; c)  
8 Defendants failed to object within any reasonable manner to Plaintiff's workmanship or  
9 the amounts invoiced; and d) there is no other genuine dispute of a material fact; and 5)  
10 Plaintiff is entitled to judgment as a matter of law under Fed. R. Civ. P. 56(a).  
11  
12  
13

14               The Court therefore **GRANTS** Plaintiff's Motion for Summary Judgment  
15 and **ORDERS** as follows:  
16

- 17               1. Plaintiff is entitled to an award of \$1,104,987 on its breach of contract claims.  
18  
19               2. Plaintiff is entitled to an award of \$219,554 for accrued interest and collection  
20 costs as of August 6, 2025. Plaintiff must also submit a declaration with a  
21 calculation of accrued interest and collections costs owed up to the date of  
22 this order.  
23  
24               3. Pursuant to the contracts, Defendants must pay Plaintiff's reasonable  
25 attorney's fees and costs incurred to collect on Defendants' obligations.

1 Plaintiff's counsel must also submit a declaration containing a breakdown of  
2 its reasonable costs and attorneys' fees.

- 3  
4 4. Unless Defendants have a valid objection to either of these declarations, the  
5 Court will then order the clerk to enter final judgment, which will include a  
6 calculation of post-judgment interest at the rate set by 28 U.S. C. § 1961.  
7

8 DATED this \_\_\_\_ day of \_\_\_\_\_, 2025  
9

10 \_\_\_\_\_  
11 LAUREN KING  
12 UNITED STATES DISTRICT JUDGE

13 Presented by:

14 ZUANICH LAW, PLLC

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